

BILL ANALYSIS

Senate Research Center

S.B. 1102
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Higher Education
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Background

Texas community college and technical school leaders have worked tirelessly to support the state's response to the COVID-19 national crisis, during which millions of Texans have filed for unemployment and the mismatch between workforce needs and skilled workers has deepened. A majority of these displaced workers lack the skills and education needed to successfully and quickly reenter the workplace.

As of October 2020, 3.7 million Texans have filed for unemployment relief since March 2020.

Texas's unemployment rate was 8.3 percent in September 2020, up 3.5 percent from September 2019.

In the post-pandemic workforce, students and displaced workers will need to acquire in-demand skills for available occupations in their region.

The Texas Reskilling and Upskilling through Education (TRUE) program is a collaboration between colleges and business partners across the state to rapidly provide well-designed short-term credentials ensuring displaced and underemployed workers are armed with the skills and credentials needed to fill high-demand industry needs that have shifted due to the impact of the COVID-19 pandemic.

The TRUE program aims to prepare students for in-demand careers accelerating their transition to work while also building an enduring education infrastructure to support a thriving Texas economy throughout the diverse regions of the state.

Bill Proposal

TRUE is a competitive grant program to be administered by the Texas Higher Education Coordinating Board (THECB). Eligible colleges would receive grants to reskill and upskill the Texas workforce, put Texans back to work in high demand occupations, and accelerate the Texas economic recovery.

TRUE would invest funds to allow institutions to build capacity to expand new, accelerated, and redesigned workforce training programs that teach high-demand skills and confer certifications or credentials valued in growing, living-wage occupations.

TRUE will initiate employer engagement to highlight areas of future job growth, define high-demand skills, and inform credential development and training.

The changes the committee substitute makes are as follows:

- (1) It adds chambers of commerce and economic development corporations to the list of entities eligible for funds from the program.
- (2) It ensures programs match regional workforce needs so as to not duplicate existing programs already offered in a particular region.

(3) It adds a section to track and report enrollment, credential completion, and employment outcomes as part of the program.

(4) It provides some accountability measures to approve carry-over funds by requiring an institution to provide reasonable rationale to THECB.

(Original Author's/Sponsor's Statement of Intent)

S.B. 1102 amends current law relating to the establishment of the Texas Reskilling and Upskilling through Education (TRUE) Program to support workforce education.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Higher Education Coordinating Board in SECTION 1 (Section 61.886, Education Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 61, Education Code, by adding Subchapter T-2, as follows:

SUBCHAPTER T-2. TEXAS RESKILLING AND UPSKILLING THROUGH EDUCATION (TRUE) PROGRAM

Sec. 61.881. DEFINITIONS. Defines "lower-division institution of higher education" and "program." Defines "eligible entity" as a lower-division institution of higher education, a consortium of lower-division institutions of higher education, or a local chamber of commerce, trade association, or economic development corporation that partners with a lower-division institution of higher education or a consortium of lower-division institutions of higher education.

Sec. 61.882. ESTABLISHMENT; ADMINISTRATION; PURPOSE. (a) Provides that the Texas Reskilling and Upskilling through Education (TRUE) Program (program) is established to strengthen the Texas workforce and build a stronger Texas economy.

(b) Requires the Texas Higher Education Coordinating Board (THECB) to administer the program in accordance with this subchapter and rules adopted under this subchapter.

(c) Requires THECB, under the program, using funds appropriated or otherwise available for the purpose, to award grants to eligible entities for creating, redesigning, or expanding workforce training programs and delivering education and workforce training that:

(1) lead to postsecondary industry certifications or other workforce credentials required for high-demand occupations;

(2) are developed and provided in consultation with employers who are hiring in high-demand occupations; and

(3) create pathways to employment for students and learners.

(d) Provides that THECB, in awarding grants under this subchapter:

(1) is required to, to the greatest extent practicable:

(A) award grants to at least one eligible entity in each region of the state; and

(B) ensure that each training program matches regional workforce needs, is supported by a labor market analysis of job postings and employers hiring roles with the skills developed by the program, and does not duplicate existing program offerings except as necessary to accommodate regional demand; and

(2) is authorized to give preference to applicants that:

(A) represent a consortium of lower-division institutions of higher education;

(B) prioritize training to displaced workers;

(C) offer affordable training programs to students; or

(D) partner with local chambers of commerce, trade associations, economic development corporations, and local workforce boards to analyze job postings and identify employers hiring roles with the skills developed by the training programs.

Sec. 61.883. USE OF GRANT. (a) Authorizes a grant awarded to an eligible entity under this subchapter to be used only for the support and maintenance of educational and general activities that promote workforce learning, including:

(1) providing training in existing, new, or redesigned accelerated programs that teach high-demand skills and lead to postsecondary industry certifications or other workforce credentials valued in growing occupations;

(2) developing new industry-aligned, high-demand postsecondary industry certifications or other workforce credentials and certificate programs or other courses of instruction leading to those certifications or credentials that can be completed in six months or less;

(3) redesigning existing postsecondary industry certifications or credentials and certificate programs or other courses of instruction leading to those certifications or credentials to meet the standards under Subdivision (2);

(4) expanding institutional capacity to provide high-demand postsecondary industry certifications or other workforce credentials that are stackable in high-demand career pathways and address the needs of high-demand occupations identified by the Texas Workforce Commission (TWC) or applicable local workforce development boards;

(5) providing student aid awards to incentivize enrollment in and completion of industry-aligned, high-demand postsecondary industry certifications or other workforce credentials and certificate programs or other courses of instruction leading to those certifications or credentials; and

(6) tracking and reporting enrollment, credential completion, and employment outcomes for students in courses and programs described by this subsection to gauge the impact on student success.

(b) Authorizes money received by an eligible entity under the program in a fiscal year that is not used by the entity in that fiscal year to be held and used by the entity in the subsequent fiscal year for the purposes prescribed in this section if the entity provides to THECB a reasonable explanation for holding and using the money in the subsequent fiscal year.

Sec. 61.884. RECOGNIZED CERTIFICATIONS OR CREDENTIALS. (a) Requires THECB, in collaboration with eligible entities, TWC, and private employers, to identify existing and new postsecondary industry certifications or other workforce credentials valued in high-demand occupations.

(b) Requires THECB, in consultation with eligible entities, to:

(1) identify postsecondary industry certifications or other workforce credentials developed or redesigned using grant funds under the program; and

(2) establish methods for collecting and reporting data related to the certifications or credentials identified under Subdivision (1).

(c) Authorizes an eligible entity awarded a grant under this subchapter to recommend outcomes related to the achievement or development of postsecondary industry certifications or other workforce credentials identified under this section to be considered by THECB for inclusion in the state's long-range master plan for higher education developed under Section 61.051 (Coordination of Institutions of Public Higher Education).

(d) Requires THECB, in devising its funding formulas and making its recommendations to the legislature relating to institutional appropriations of funds for lower-division institutions of higher education under Section 61.059 (Appropriations), to incorporate the consideration of the achievement or development of postsecondary industry certifications and other workforce credentials identified under this section.

Sec. 61.885. GRANTS, GIFTS, AND DONATIONS. Authorizes THECB to solicit, accept, and spend grants, gifts, and donations from any public or private source for the purposes of this subchapter.

Sec. 61.886. RULES. Requires THECB to adopt rules for the administration of this subchapter, including rules requiring eligible entities awarded a grant under this subchapter to report necessary information to THECB.

SECTION 2. (a) Requires THECB to adopt rules to administer Subchapter T-2, Chapter 61 (Texas Higher Education Coordinating Board), Education Code, as added by this Act, as soon as practicable after the effective date of this Act.

(b) Requires THECB to award grants under Subchapter T-2, Chapter 61, Education Code, as added by this Act, beginning with the 2021 fall semester.

SECTION 3. Provides that THECB is required to implement this Act only if the legislature appropriates money specifically for that purpose. Provides that, if the legislature does not appropriate money specifically for that purpose, THECB is authorized, but is not required, to implement this Act using other appropriations available for that purpose.

SECTION 4. Effective date: upon passage or September 1, 2021.